



CITY OF BLAINE

344 H Street
Blaine, WA 98230
City Council Minutes

Monday, July 23, 2007

7:00 PM

- A. *Study Session – 5:30PM Port of Bellingham Wharf Master Plan Update
Present: Jason Overstreet, Bonnie Onyon, Mike Myers, John Liebert, Charlie Hawkins*

Adjourned: 6:45pm

B. **CALL TO ORDER – 7:05pm**

- MOMENT OF SILENCE
- PLEDGE OF ALLEGIANCE
- ROLL CALL: Charlie Hawkins, John Liebert, Mike Myers, Bonnie Onyon, Jason Overstreet (Ken Ely and Bruce Wolf have requested to be excused)

Motion made by Bonnie Onyon to excuse Ken Ely and Bruce Wolf, seconded by Charlie Hawkins, approved unanimously (5 – 0)

- Staff Present: Gary Tomsic, City Manager; Meredith Riley, Finance Director; Sheri Sanchez, City Clerk; Steve Banham, Public Works Director; Terry Galvin, Community Development Director; Jon Sitkin, City Attorney

C. **AUDIENCE PARTICIPATION**

Sign-up/Comment Forms in Foyer of City Hall

1. David Gallion, 1455 Madison Avenue – regarding ordinances 07-2669 and 07-2670.
2. Joel Douglas, 600 Lynden Road, Bellingham – regarding ordinances 07-2669 and 07-2670.
3. Richard Blackburn, 680 Georgia Street – regarding deferral fees and the Harborside Place being built.

4. Dennis Olason, 860 Georgia Street – would prefer speaking at the public hearing regarding deferral of fees, appreciates Hearing Examiner meeting.
5. Christina Alexander, 9351 Owl Lane – regarding Peace Garden in North Dakota and Peace Proclamation.
6. Brad Smith, 328 Martin Street business owner – regarding deferral fees.
7. James Bachman, 8687 Great Horned Owl Lane – regarding allowing building a school in other than Marine Commercial area.
8. Blaine Builder Award – Pizza Factory - Award presented to Rick Greenhow.

D. CITY MANAGER AND STAFF REPORTS

1. Lighthouse Point Update – Steve Banham reported – study session scheduled for July 30, 2007
2. State & Federal Projects – Steve Banham reported – truck route project progressing
3. GSA Peace Arch Border Crossing Reconstruction Meeting Report – Steve Banham reported – attended meeting regarding Peace Arch crossing facility and discussion about redirection of traffic during construction. Discussion regarding options of entering into Blaine. Council supports City Manager drafting letter regarding options. Gary Tomsic advised council that they have been invited to the ground breaking. Regarding signs, working on setting up meeting with WSDOT.
4. Major Projects Update – Terry Galvin reported - None
5. Mid-Year Development Update – Tom Black, Ed Yurgalevicz and Alex Wenger reported – reviewing development applications, building permit approvals and wastewater connections. Development applications include the Port of Bellingham demolition, Woodell Daycare Expansion, Jordan building mixed use, Dakota Creek Storage Park manufacturing condominium units and Bio-Plex Technologies manufacturing facility. Building permit approvals for the 2nd quarter include 7 new residential units and 1 new commercial unit with a year to date of 82 new residential, 2 new commercial and 1 new industrial. Commercial, Industrial & Mixed use Permit fees for 2nd quarter of \$3,168 with year to date of \$7,827, traffic impact fees for 2nd quarter of \$8,305 with year to date of \$10,695 and utility fees for 2nd quarter of \$8,530 with year to date of \$8,530. Residential permit fees for 2nd quarter of \$23,742 with year to date of \$33,530, traffic impact fees for 2nd quarter of \$4,620 with year to date of \$6,931, park impact fees for 2nd quarter of \$6,000 with year to date of \$9,000, and utility fees for 2nd quarter of \$46,002 with year to date of \$72,991. Building inspections for 2nd quarter were 217 with year to date of 432. Total wastewater connection year to date is 67.9.

6. Mid-Year Project Priorities Report – Gary Tomsic reported – reports were passed out to council for review prior to budget process.
7. Mid-Year Financial Report – Meredith Riley reported – reviewed figures through June for Property tax levy, Sales tax, City utility tax, General fund revenues and expenses and general fund reserves, Gas tax, Street fund, Hotel/motel tax, Real estate excise tax, Electric fund, Water fund, wastewater fund, storm water fund, and airport fund.
8. Feldstein appeal – Jon Sitkin reported – the City prevailed in the court of appeals.

E. PUBLIC HEARING (MEETING)

***PLEASE NOTE:** Persons speaking on any issue will be allowed three (3) minutes. An additional two (2) minutes of non-repetitive testimony will be allowed after all testimonies have been heard

1. Ordinances 07-2669 and 07-2670, Amending Titles 13 and 15 of the Blaine Municipal Code, Deferring Building Permit Fees and Utility Connection Fees Upon Approval of City Council –

Mayor Mike Myers reviewed doctrine of fairness with council members. Jason Overstreet will participate in review but has recused himself from voting. Jason Overstreet and John Liebert have had conversations. Sheri Sanchez read into the record an email to the City Council from Bob and Lois Franco.

Jon Sitkin spoke regarding criteria for granting deferrals – administrative – and specifics about what revisions occurred since the last council meeting.

Testimony:

- Rick Osborne, 138 So. Garden Street, Bellingham, supporting ordinances.
- Art Weiner, Windstar, LLC, Napa, California, supporting deferral of permits and utilities.
- Jason Overstreet asked Art Weiner how deferrals could help a \$6 million dollar project.
- Art Weiner responded that the backend costs would help get the project off the ground.
- Dennis Olason, 860 Georgia Street, requesting clarification on deferrals, effect on other projects and impact on cash flows and infrastructure.
- Jeff Robinson, 8839 Bald Eagle Drive, questioned limiting program to just the downtown.
- Jeff Arntzen, 978 Peace Portal Drive, regarding wording in ordinances about increasing tax base.

- Art Weiner, regarding lenders' view of Harborside as a "pioneering" project.

Public hearing closed at 8:41, followed by discussion of council on the council action items 1 and 2.

Council discussed with staff what the costs are that would be deferred. Cash flow would be affected, including option to use the funds, which could be deferred up to 2 years. Deferral of payment also defers commitment of City to provide services. Discussion about reasonableness of 2 year deferral. John Liebert asked if there were any further comments.

David Gallion clarified his comment during audience participation. Jason Overstreet recommends including reserving hook-up fees. Discussion about whether or not to include a public hearing.

F. COMMISSION, COMMITTEE AND BOARD REPORTS

1. Planning Commission – Jeff Arntzen reported – Woodell Daycare Expansion continued due to vote and continuation of Public Hearing
2. Airport Commission - None
3. BTAC - None
4. Park & Cemetery - None
5. Ad Hoc – Wastewater Advisory Committee has been invited

G. WRITTEN COMMUNICATIONS

1. Letters from J. Douglas received June 17 and July 10, 2007
2. Article about Blaine High School received July 10, 2007
3. Letter of congratulations from City to Blaine School District dated July 10, 2007
4. Letter from Doug Connelly received July 12, 2007

H. CONSENT AGENDA

Items listed below have been distributed to Council members in advance for study and will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Agenda at the request of a Councilmember.

1. Approval of Bills – Amount: \$ 286,950.17
2. Approval of Payroll – Amount \$ -0-

3. Approval of July 9, 2007, City Council Minutes

Motion made by Charlie Hawkins to approve the consent agenda, seconded by Jason Overstreet, and passed unanimously (5 – 0) (Ely & Wolf absent)

I. COUNCIL ACTION ITEMS

1. Ordinance 07-2669, Deferral of Building Permit Fees
2. Ordinance 07-2670, Deferral of Utility Connection Fees

Motion made by John Liebert to approve Ordinance 07-2670 and include capacity, seconded by Bonnie Onyon, and passed 3 – 1 (Mike Myers against) (Ely and Wolf absent and Jason Overstreet recused himself)

3. Ordinance 07-2671, Amending Title 15, Incorporating International Building Code Update

Motion made by Charlie Hawkins to approve Ordinance 07-2671, seconded by Jason Overstreet, and passed unanimously 5 – 0 (Ely and Wolf absent)

4. Resolution 1468-07, City of Blaine Wellness Program

Motion made by Bonnie Onyon to approve Resolution 1468-07, seconded by Charlie Hawkins, and passed unanimously 5 – 0 (Ely and Wolf absent)

Adjourned to Executive Session - 9:38pm

Reconvened – 10:04pm

5. Union Contract, IAM Non-Uniform
6. Union Contract, Teamster Non-Uniform

Motion made by Charlie Hawkins to approve IAM District 160 Non-Uniform union contract and Teamsters Non-uniform union contract, seconded by John Liebert and approved unanimously (5 – 0, Ely and Wolf absent)

J. UNFINISHED BUSINESS

1. Jason Overstreet - regarding letter from Credo Construction
2. Airport Property – regarding how to sell the Carruthers property

K. COUNCIL NEW BUSINESS

L. MAYOR AND COUNCIL REPORTS

M. ADJOURN – 10:10pm

MAYOR

CITY CLERK